

Press Release

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German Economy Advocates Further Opening of Markets on the Occasion of the Visit of Chinese President Xi Jinping

- **APA asks for equal treatment of German and Chinese companies in both countries**
- **German economy welcomes reform efforts of Chinese government and intends to contribute to China's sustainable economic development**
- **Evening reception with President Xi Jinping and representatives of German industry in Düsseldorf on Saturday**

In the run-up to the visit of the Chinese President Xi Jinping, the Asia-Pacific Committee of German Business (APA) is asking for more freedom of action for German companies in the People's Republic. "China is one of the most important markets worldwide for the German economy. With our companies we take technologies to China, create jobs over there, establish high health and safety standards in our manufacturing sites and act as pacemakers for integrated environmental protection in industrial production. This is why we are asking for our subsidiaries in China to be treated as local companies. In return, the same should, of course, apply to Chinese companies in Germany. We need a welcoming culture for Chinese companies in Germany", declared Hubert Lienhard, Chairman of the Asia-Pacific Committee of German Business (APA) and CEO of the Voith Group.

On Saturday 29 March the APA, joined by German Federal Minister and Vice Chancellor Sigmar Gabriel, NRW Minister President Hannelore Kraft and a delegation of about 400 representatives of Chinese and German industries, will meet the Chinese President Xi Jinping. A focal point of the meeting in Düsseldorf are the planned reforms of the Chinese government, which will be a key subject of Xi's speech.

From the viewpoint of the APA, the reforms of the Chinese government must go hand in hand with further steps towards a more open market. Investment restrictions, such as enforced joint ventures, are no longer in keeping with the times. Following the remarkable success of the Chinese government in implementing

patent rights, the Asia-Pacific Committee of German Business expects new measures from the government in Beijing towards an innovation-friendly climate. This also includes reliable trademark protection and a patent system promoting product innovation, yet no mass registration of technologically irrelevant product and design adaptations.

The APA advocates a further intensification of the relations between Germany and China: "We sincerely welcome Chinese investors in Germany," stated Hubert Lienhard. "The more we open Germany to Chinese investors, the more we are able to argue for the rights of German companies in China."

China is Germany's most important trade partner in Asia and the third main business partner worldwide. In reverse, Germany is China's most important trade partner in Europe. In recent years, direct investments in both countries have continuously increased. Between 2006 and 2011, German direct investment in China has risen more than threefold, amounting to 38 billion euro in 2011. Over the same period, Chinese direct investments in Germany have also tripled, accounting for approximately 1 billion euro at the end of 2011.

About APA

The Asia-Pacific Committee of German Business is the voice of German business active in Asia-Pacific. APA engages in the dialogue on economic policy with the German government and those in the Asian region. APA voices the concerns and interests of German companies' interests towards Asia-Pacific. APA strives for more intense cooperation with Asia-Pacific and helps promoting trade and investment in both directions. APA is an initiative of the Federation of German Industries (BDI), the Association of German Chambers of Industry and Commerce (DIHK), the German Asia-Pacific Business Association (OAV), the Federation of German Wholesale, Foreign Trade and Services (BGA) and the Association of German Banks (Bankenverband). Since February 2014 it is chaired by Dr. Hubert Lienhard, President and CEO of Voith GmbH.

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